

State of Louisiana DIVISION OF ADMINISTRATION OFFICE OF INFORMATION TECHNOLOGY

JERRY LUKE LEBLANC COMMISSIONER OF ADMINISTRATION

February 22, 2006

RFP FOR CONSULTING AND SUPPORT SERVICES OIT_CSS_RFP 2006

ADDENDUM NO. 01

Your reference is invited to the Request for Proposal for Consulting and Support Services for the State of Louisiana, Office of Information Technology which is scheduled to open on March 27, 2006 at 2:00 P.M., Central Time.

The proposer's written inquiries received by the written inquiry deadline date of February 6, 2006 and the state's responses to those inquiries are on the attached page numbers 2 through 16.

This addendum is officially made a part of the referenced proposal and should be acknowledged therein.

Kathy Howard RFP Coordinator

2006 CSSA QUESTIONS AND ANSWERS

QUESTION #	SECTION	Page #	QUESTION
1			Will the response to bidder question be posted on the website or will they be emailed out? All Questions/Answers will be posted on both OIT's website (www.doa.louisiana.gov/oit) and LaPAC's website (wwwsrch2.doa.state.la.us/osp/lapac/pubmain.asp).
2			Are there any restrictions on bidding both as a prime and a subcontractor on this RFP? Refer to Section 2.12 of the RFP which outlines the responsibilities of the Prime Contractor and the use of subcontractors and #5 (Subcontractors) of the Tier One Consulting and Support Services Agreement.
3			Upon contract award, can prime contractors add additional subcontracts to their team in order to respond to a specific solicitation? Yes. However, as stated in the RFP on page 30, Section 5.2.2 (#3), "Key personnel who will work on State Agency SOWs must be identified and must be consistent with the personnel identified in Tier One".
4			Can you tell us the names and agencies of those that serve on the Tier 1 selection committee? No. These names are held confidential to protect the integrity of the process.
5			Under the current CSSA contract and in the previous release of the Consulting and Support Services RFP, Project Management was included as a component with Application Development/Database Development and Web Development. Was it the State's intention to remove Project Management and project management related services from the CSSA process? Yes. Any contract that is pure Project Management will be contracted through the RFP process.
6			Since Project Management has been removed, how will vendors bid for these services for projects in any of the Technical Areas? Any contract that is pure Project Management will be contracted through the RFP process.

QUESTION #	SECTION	PAGE #	QUESTION
7			Is the RFP available in MS Word format? No.
8			You are requesting a single price for a category, yet the categories contain requested skills that come at different prices. There is no single hourly rate that can cover all the skills requested. For instance, under 1.9.2 Network, Desktop and Non-Mainframe Class Server Technical Support, subsection a. Network you request a high level network consultant and clump them together with someone who does network file system troubleshooting. These are two different skills sets with two different rates that apply. We see the same thing in the Mainframe area. How do you want our response to deal with this? A Blended Hourly Rate.
9			As a company we can provide expertise with Unix systems, but not the classical mainframe environments. Can the response to a category be for a specific set of skills? No. A response must be for an hourly rate within the entire Technical Area (with the exception of the Network, Desktop and Non-mainframe Technical Area) and each proposal will be evaluated according to the Evaluation criteria listed in Section 4.0 of the RFP.
10			Will all of the Tier 2 contracts be for hourly work? Many projects can be done at a fixed price where an hourly rate would not be given. While some projects in Tier Two may be at a fixed cost, all work must be tied back to the hourly rate given in the Tier One Contract.
11			What are your minimum insurance requirements that the contractor needs to carry? Refer to Section 2.3, page 61 of the Tier Two Consulting and Support Services Contract.

QUESTION #	SECTION	Page #	QUESTION
			To make sure I understand Tier 1 versus Tier 2:
12			Does a vendor submit a proposal for Tier 2 prior to being selected for a Tier 1 position? As I read the RFP, it appears to me the different state agencies will send a Statement of Work to the previously selected Tier 1 vendors to provide another proposal for the software/services needed by that agency. Since Xybernaut is currently not on the Tier 1 list, I am wondering if we should respond to the Tier 2 portion of the RFP?
			This RFP is to evaluate and qualify the Tier One contractors in each Technical Area for the new contract period beginning July, 2006 through June, 2009. Tier Two involves State Agencies sending a Statement of Work (SOW) in a particular technical area to only the contractors evaluated and qualified in the Tier One process resulting from this RFP.
			What is the name of the incumbent service provider?
13			There is a list of previous contractors on our Office of Information (OIT) web site (www.doa.louisiana.gov/oit).
			What is the OIT currently paying for the outsourced positions of Application Developer, Database Developer and Web Developer?
14			The rates from the previous Consultant and Support Services Agreement (CSSA) are listed on our Office of Information (OIT) website (www.doa.louisiana.gov/oit).
			How many consultants are currently in the above mentioned positions?
15			The previous CSSA had 10 contractors in each of the six technical areas.
			List of Items, Schedule of Requirements, Scope of Work, Terms of Reference, Bill of Materials required.
16			The statement/question is not specific. Please see the RFP which is available and posted on both OIT's website at (www.doa.louisiana.gov/oit) and LaPAC's website at (www.srch2.doa.state.la.us/osp/lapac/pubmain.asp)
			Soft Copy of the Tender Document through email.
17			No. We must have an original signature.

QUESTION #	SECTION	PAGE #	QUESTION
			Names of countries that will be eligible to participate in this tender.
18			All companies will be evaluated the same in accordance to the evaluation factors outlined in Section 4.1 of the RFP and also as mentioned in Section 2.12 (B) in the RFP.
			Information about the Tendering Procedure and Guidelines
19			The RFP is available and posted on both OIT's website at (www.doa.louisiana.gov/oit) and LaPAC's website at (www.www.doa.louisiana.gov/oit) and LaPAC's website at (www.doa.louisiana.gov/oit) and LaPAC's website at (www.www.doa.louisiana.gov/oit) and LaPAC's website at (www.doa.louisiana.gov/oit) and LaPAC's website at (www.www.doa.louisiana.gov/oit) and LaPAC's website at (www.www.doa.louisiana.gov/oit) and LaPAC's website at (<a a="" as="" budgets"="" href="www.www.www.www.www.www.www.www.www.ww</td></tr><tr><td></td><td></td><td></td><td>Estimated Budget for this Purchase</td></tr><tr><td>20</td><td></td><td></td><td>There are no " in="" is="" one="" prequalification="" process,="" process.<="" td="" the="" this="" tier="">
			Tier Two contracts (budgets) can vary from \$50,000 to \$6,000,000 over three (3) years.
			Any Extension of Bidding Deadline?
21			No.
			Any Addendum or Pre Bid meeting Minutes?
22			There was not a Pre-bidders conference for this RFP. Any addendum to this RFP will be posted to both OIT's website at (www.doa.louisiana.gov/oit) and LaPAC's website at (www.doa.louisiana.gov/oit) and LaPAC's website at (www.wwsrch2.doa.state.la.us/osp/lapac/pubmain.asp).
			If a consultant is selected as a Tier I consultant, can they utilize sub-contractors in Tier II
			proposals that were not "named" in the Tier I proposal?
23			Yes. However, as stated on page 30, Section 5.2.2 (#3), "Key personnel who will work on State Agency SOWs must be identified and must be consistent with the personnel identified in Tier One".
			Is a consultant limited as to how many teams they can participate with as sub-contractors for Tier I proposals?
24			No.

QUESTION #	SECTION	PAGE #	QUESTION
			If a consultant is selected as a Tier I consultant, can they team with other Tier I consultants in Tier II proposals?
25			Yes. However, one must be the Prime and the other is the Sub. The rates will be based on the Prime's Tier 1 rates or lower.
26			If a consultant proposes as a prime contactor and is a subcontractor on other teams, will this be perceived and evaluated unfavorably?
			No.
			Will any preference be given to the CSSA 2002 approved consultants?
27			All companies will be evaluated the same in accordance to the evaluation factors outlined in Section 4.1 of the RFP and also as mentioned in Section 2.12 (B) in the RFP.
			How many contracts were awarded from the CSSA 2002 program?
28			There were ten (10) contracts in each of the six (6) Technical Areas.
			What was the total value of the contracts awarded by CSSA 2002?
29			The previous contracts awarded in Tier Two ranged from \$50,000 to \$2,493,546. The total amount spent in three years on Tier Two contracts was approximately \$22,000,000.
			Will the "Rankings" of the Tier I evaluations become public and/or published to agencies utilizing CSSA services?
30			Once an award is made, it is subject to the Public Records Act.
21			Will the scores and rankings of the Tier I results factor into the evaluation of future Tier II competitions?
31			No.

QUESTION #	SECTION	Page #	QUESTION
			Will any preference be given to Louisiana-based companies bidding as a prime that are located in the Kat-Rita declared disaster areas?
32			All companies will be evaluated the same in accordance to the evaluation factors outlined in Section 4.1 of the RFP and also as mentioned in Section 2.12 (B) in the RFP.
			Are proposers encouraged or discouraged to add multi-media presentations to the CD submission of their proposals?
33			Discouraged because the CD has to mirror the hard copy, therefore, the multi-media is not appropriate.
			For Tier II SOW's solicited by agencies, will the technical labor categories to be quoted be specified by the agency, or will the Tier I Consultant determine the labor categories to propose and price?
34			The State Agency will determine the Technical Area. The Tier Two SOW will clarify what specific level of experience is needed.
			Will any sort of "cost-realism" check be applied to the pricing proposals?
			Cost is an evaluation factor in Tier One and Tier Two.
35			As described in Section 4.1.5 of the RFP, the Tier One Cost Proposal is worth 30 points. The "Total Composite Labor Rate" on the Attachment 1, Price Matrix will establish the financial ranking of each proposer from the lowest rate to the highest rate in each of the technical service categories.
			In Tier Two, the selected contractors will respond to a SOW from an agency with their best price, which must be equal to or less than the price quoted in Tier One.

QUESTION #	SECTION	PAGE #	QUESTION
			The State has requested a not to exceed labor rate including travel other expenses in response to an open-ended undefined SOW as part of cost evaluation of the tier one respondents.
			We request that the State recognize the inclusive nature of travel, lodging etc. rightfully belongs in a tier 2 response to a defined RFP.
36			We request that the State evaluation committee measure labor rates in the Tier One response exclusive of travel and other expenses that unique cost related circumstances may invoke in a defined Tier Two RFP response.
			Refer to Section 3.3.2 "Cost Proposal" on page 23 of the RFP which states that "Hourly rates <u>must</u> be inclusive of travel and project expenses".
			Both the CSSA and the CSSC restrict us from assignment. Due to our corporate structure changing from time to time with acquisition(s) or other circumstances we request the ability to broaden this provision.
37			The regulations governing the Office of State Purchasing require the written consent of the commissioner for any assignment of contract. See, Louisiana Administrative Code 34:1.537.
			The Office of Contractual Review's statutes require advance approval by the State. See, Revised Statutes 39:1515.1.
			Since an assignment is clearly a change or modification of a contract, the data processing statutes also require the advance approval of the state. See, Revised Statutes 39:200(E).
			The CSSA speaks to the protection of the State's confidential information Fidelity would like a reciprocal provision.
38			Please refer to Section 2.8 Confidential Information, Trade Secrets, and Proprietary Information of the RFP.
0.5			Is there an available list of anticipated IT projects for the upcoming contract period?
39			No.
40			Is there a maximum number of consulting Services Agreements that will be awarded for each Technical Area?
			No. There will be an unlimited number of CSSAs awarded in each Technical Area.

QUESTION #	SECTION	Page #	QUESTION
41		20	The RFP states: "On the CD, a bookmark should be used for each Tab/SubTab" Does LA DOA mean that the PDF file should include bookmarks for each section? If this is not what is intended, can DOA please clarify how the CD should be book marked? Yes, bookmarks for each section.
42		27	State Evaluation Factor. What is the State Evaluation Factor? What is the rationale, how it is devised and how is it weighted? The State Evaluation Factor is used when there are more than one sub-group within a Technical Area. The sub-group that is used the most has the higher state evaluation factor.
43	1.2	4	Background – Section 1.2 of the RFP specifies that most state agencies are currently developing Strategic Information Resource Management Plans that will identify strategic thinking about business needs that link business and technology. <i>Is it possible to get a list of each agency, a link to its plan if completed, and a status if the agency has not completed its plan?</i> Each agency would need to be contacted on a case by case basis.
44	1.9.1	9	Application Development / Database Development / Web Development - The state appears to be requiring broad knowledge and experience in many languages, databases and development environments. How will the state evaluate the experience of a proposer for so many environments? The Evaluation Criteria is listed under Section 4.0 of the RFP. What does the state prefer: to work with a company that is a specialist and has significant expertise in a few, but not all areas versus one that is more of a generalist and has some, but not much experience in all areas? The Evaluation Criteria is listed under Section 4.0 of the RFP.

QUESTION #	SECTION	Page #	QUESTION
45	1.9.2	11-12	Please define the term "Service Desk" as it is used in the RFP on pages 11-12, Section 1.9.2. Contractor should provide for the management and support of a help desk environment that provides Level 1 advice and guidance to customers for rapid restoration of normal service operation. The Service Desk will be the initial contact for service calls, managing call escalation and resolution for the related sub-categories described in 1.9.2. It may include basic hardware, software, and networking support, as well as new service requests, service changes, password resets, LAN/WAN support, and support for servers, telecommunications, and business applications, as described in the Tier 2 Statement of Work.
46	1.9.2	11-12	Please define the service offering and tasks required for meeting the "Service Desk" requirement in the RFP on pages 11-12, Section 1.9.2. Contractor should provide for the management and support of a help desk environment that provides Level 1 advice and guidance to customers for rapid restoration of normal service operation. The Service Desk will be the initial contract for service calls, managing call escalation and resolution for the related sub-categories described in 1.9.2. It may include basic hardware, software, and networking support, as well as new service requests, service changes, password resets, LAN/WAN support, and support for servers, telecommunications, and business applications, as described in the Tier 2 Statement of Work.
47	1.9.2 Sub- Category (a)	11	 Can the State please explain the difference between; 'Configure and Install Switches & Configure and Install Routers' and 'Installation Services' scope of work? "Installation Services" is a General Category for any other network equipment not specifically mentioned. Does the State require support on both Hardware & Software under 'Service Desk'? Yes.
48	2.8	15	Should the 'legend'/paragraph defining the confidential pages go on the main cover sheet, or can it be inserted as the first page after the cover sheet? Section 2.8, third paragraph of the RFP states: "the proposer shall mark the cover sheet of the proposal with the following legend"

QUESTION #	SECTION	PAGE #	QUESTION
49	2.8 & 3.3.1.3 Tab 3	15	Will the designation of Confidential Information described in 2.8 be allowed in section 3.3.1.3 TAB 3 - Corporate Experience? As stated in the RFP, Section 2.8, Confidential Information only applies to Trade Secrets and Proprietary Information. It does not apply to past Corporate Experience.
50	2.11	16	Section 2.11, page 16, of the RFP discusses the submittal of exceptions and contract deviations to be negotiated. Should this be submitted with the technical proposal or the cost proposal? If in the technical proposal, within which tab? Will the submittal of such requests be a factor in proposal evaluation? Exceptions to "mandatories" will cause proposals to be disqualified (See Section 2.11, third paragraph in the RFP). All deviations should be listed on a separate page at the end of the Technical proposal.
51	3.2	19	Section 3.2 of the RFP requires that a separate proposal be submitted for each technical area we intend to bid, with Area 2 requiring separate bids for each of its three sub-areas. If a vendor intends to bid three of the four technical areas and all three sub-areas in Area 2, they would need to submit a total of five separate proposals. In reviewing the RFP, it appears that there will be significant duplication of material across the five technical areas/sub-areas. Would the State allow vendors to submit one proposal and to note within that proposal where differences in approaches occur between the areas/sub-areas and other differences, such as to which technical areas a particular resume and reference applies? There must be a separate proposal for each Technical Area being bid. There are separate Evaluation Teams for each of the Technical Areas.
52	3.3.1	20	In Section 3.3.1 it states: "On the CD, a "bookmark" should be used for each Tab/Sub-tab. We are not familiar with use the use of the term "bookmark" in this context. Is the State referring to having all sections contained in one Adobe PDF document, and using bookmarks in PDF, or is it referring to having separate documents on the CD for each Tab/Sub Tab, and nesting those documents in a folder hierarchy that parallels the Tab Structure? The first statement is correct"all sections contained in one Adobe PDF document and using bookmarks in PDF".

QUESTION #	SECTION	Page #	QUESTION
53	3.3.1.3 Tab 3	20	Technical Proposal – The State specifically mentions providing information on data centers available to support the State's requirements; however, we are under the impression that the CSSA is for consulting hours. <i>Please expand on what our response to section ii, Corporate Resources, should include.</i> The CSSA is for both consulting and supplemental staffing hours. The data center might be used for testing applications being developed or for performing capacity planning.
54	3.3.1.3	21	Due to a divestiture from a former parent company, we propose to provide 2 year-end financial statements from that former parent company, along with current financial statements from our company. Is that acceptable? If not, please specify what alternative documentation we can submit to satisfy DOA. Yes, that would be acceptable.
55	3.3.1.5 & 4.1.4.3	21	Section 3.3.1.5 of the RFP requires bidders to describe their technical services methodology and to satisfy the evaluation criteria specified in Section 4.1.4.3. Section 4.1.4.3 states in its header that it is for the Applications/Data Base/Web Dev sub-areas (i.e., Technical Area 1) only. Does this reference mean that bidders need not discuss their technical services methodology in their proposals for any of the other three technical areas? The Technical Services Methodology is for Applications/Data Base/Web Development only.
56	3.3.1.6 Tab 6.4	22	Resumes—Is there a minimum number or maximum number of key staff resumes you would like for each technical area? No. The "key staff" should reflect a representative sample who will be working on SOWs from your company for a specific technical area.
57	3.3.2	23	Section 3.3.2 of the RFP: It states that the rates proposed will be valid for the duration of the contract. Does this mean just the first year of the contract, or does it also include the optional second and third years? All hourly rates will be valid for up to three years.

QUESTION #	SECTION	Page #	QUESTION
58	4.1.3	24	How are the 70 points distributed over the weighted technical criteria shown in the RFP on page 24, Section 4.1.3? This criteria will be determined by the evaluation teams prior to the date proposals are due and will not be made available until after the evaluation and selection process is complete, so as not to jeopardize the integrity of the evaluation process.
59	4.1.3 & 4.1.4	24-27	Section 4.1.3 and 4.1.4, pages 24-27, describe the Technical Proposal Evaluation Process. Will this evaluation be formulaic? No. Will there be weighting of the different areas within the technical sections? Yes. If so, can these formulas and weightings be provided to proposers prior to submittal on 3/27/2006? No. (Same as # 58)
60	4.1.4.2	25	Project Approach-Could you please clarify the roles of Program Manager and Task Lead? Is the Program Manager the Manager of the overall CSSA contract for a specific vendor? Is the Task Lead the lead for a specific SOW awarded under the CSSA? The "Program Manager" is the Manager over a particular SOW. The "Task Leads" are the people who will be leading the various tasks that will be involved in a particular SOW.
61	4.1.4.2	25	Project Approach-Could you please clarify what Support Resources are and how they differ from Team Staffing Resources? "Team Staffing Resources" is your own staff that will help on a particular SOW. "Support Resources" would include any other "support" you might have to help with a particular SOW, i.e. data center available to test jobs, capacity planning, etc.
62	4.1.4.2	25	Section 4.1.4.2 page 25. Please elaborate on what is considered to be "Statement of Work Processing"? Does this mean scope decomposition into deliverables/work/estimates or does it mean something else? Your company's approach or methodology in addressing a Statement of Work. What "Best Practices" do you utilize in managing and completing a project.

QUESTION #	SECTION	PAGE #	QUESTION
63	4.1.4.2	26	Section 4.1.4.2 page 26. Please distinguish Progress Reporting from Management Planning and Reporting. "Progress Reporting" is an up-to-date report on the project's status. "Management Planning" is your methodology and "Best Practices" that you utilize to manage a SOW.
64	4.1.4.3	26	Technical Services Methodology – The evaluation criteria surrounding the Technical Services Methodology do not seem to vary by Technical Area. <i>If we are submitting a proposal in response to the Networking Technical Area, do we still need to provide the detailed descriptions of our software development process and development life cycles? Those areas seem more appropriate for inclusion in the Application Development Technical Area response. Section 4.1.4.3 of the RFP states that the Technical Services Methodology is "For the Applications/Data Base/Web Dev. area only).</i>
65	4.1.4.3	26	The RFP states that the Technical Services Methodology evaluation criteria shown in Section 4.1.4.3 applies only to the Technical Area of Application/Data Base/Web Dev. Please provide Technical Services Methodology evaluation criteria for the other Technical Areas. Section 4.1.4.3 states that the Technical Services Methodology is "For the Applications/Data Base/Web Dev. area only). All other Technical Areas will be evaluated according to the evaluation and selection criteria listed in Section 4.0 of the RFP.
66	4.1.5	27	The numerator in the formula for calculating Total Cost Points is Lowest Total Composite Labor Rate from all Proposals. Is the term all Proposals referring to all proposals in a particular Technical Area or all proposals from all four technical areas? All proposals within a particular Technical Area.
67	4.2	28	Selection of Qualified Proposers – Will all proposers scoring 60 points or above be given awards? Yes. Proposers scoring 60 points out of a Total of 100 points will receive a CSSA award which will allow proposers to compete in the Tier Two process.

QUESTION #	SECTION	Page #	QUESTION
68	Attachment I Sub-Category (b)	35	 PRICE MATRIX – Tier One Under 1) Network Support will the State consider multiple Resource Type Levels & Rates i.e. CCNA, CCDP, CCIE? No. The blended hourly rate must be a composite rate for all resource levels and must include all project expenses including travel. If so, what format would the State prefer to see the pricing in? N/A
69	Attachment I	34 - 37	Price Matrix – Tier One-On the Price Matrix forms, each category has only one "Proposer Price" (hourly rate), e.g. one rate for Application Development (Legacy/New Development), one rate for Database Development and one rate for Web Development. Each of these categories will have multiple roles (Project Manager, Business Analyst, Developer, etc.). Which rate would OIT like proposers to use? 1. Should we specify the highest rate for the category, e.g. if the Project Manager rate is the highest rate we would charge, then we quote this rate. 2. Should we use a blended rate? If a blended rate, how is this calculated given that any SOW awarded will use a different mix of skills and roles? For example one Application Development SOW may require many developers and a project manager, whereas another may require only 2 or 3 business analysts together with a project manager. The blended rate for these 2 examples will be different. 3. Should we use another method of calculating the rate to provide on this form? Same answer as # 68.
70	Attachment I (A)	34	Price Matrix – In Section 1.9.1.a, the Technical Area definition for Application Development (Legacy / New Development) includes Enterprise Resource Planning (ERP) solutions. Since the cost for consultants with ERP knowledge and experience (both functional and technical) is typically significantly higher than the cost for consultants with knowledge and experience in the other technologies, we believe it would be beneficial for the State to provide a separate labor category for ERP consultants. <i>Would the State consider including an additional labor category to cover consultants performing ERP work?</i> No.

QUESTION #	SECTION	Page #	QUESTION
71	Attachment III: Tier One Consulting and Support Services Agreement, Section 7	43	Identification and Limitation of Liability. Under Attachment III: Tier One Consulting and Support Services Agreement, Section 7, Identification and Limitation of Liability, states that "For all other claims against the Consultant where liability is not otherwise set forth in the Agreement as being "without limitation", and regardless of the basis on which the claim is made, Consultant's liability for direct damages, shall be the greater of \$100,000, the dollar amount of the Contract, or two (2) times the charges for services rendered by the Contractor Under the Contract. • Would the State consider modification of this limitation of liability to two (2) times the charges under a Statement of Work for claims arising under such Statement of Work? No. Refer to Attachment III on page 40 which states that all Terms & Conditions marked with an asterisk (*) are not_negotiable. • Would the State consider modification to tie the limitation only to charges for services rendered by Contractor under the Contract during the current year of the contract or in the twelve months preceding the claim and not cumulative to all years of the contract as the CSSA contracts can be issues for one year, with 2 additional option years? No. The Limitation of Liability relates to each individual contract that a contractor signs with a State Agency in Tier Two.
72	Attachment VI, Section 3.1	62	Attachment VI, Section 3.1: It states that there is a maximum fee associated with the contract. In Attachment I we are required to provide hourly rates. This implies that the resultant contracts will be time and materials. Under a time and materials contract the Contractor would use its best level of effort to complete the services within the number of hours estimated and purchased. However, if that is not possible, then the customer would be required to purchase additional hours if the work is to continue. • Is the State expecting the contracts to be time and materials, with a cap and that if the Contractor exceeds the number of hours estimated, they will be required to complete the work at no additional charge? The type of contract, whether time and materials or fixed fee, will depend on how the agency structures its SOW. The maximum amount of any contract is all that an agency can legally pay without an approved amendment to the contract to increase the maximum amount. • Is the type of contract something that can be decided on tier two specific Statement of Work basis. Yes, the type of contract and Technical Area will be decided in Tier Two.